



Commission on
Health and Safety and
Workers' Compensation

Update: Impact of AMA Based Permanent Disability Rating Schedule

**Report to the Commission
Oakland—July 6, 2006**

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Overview

- **Data Source**
- **Comparable Groups**
- **Overall results**
- **Results for Different Impairment Groups**
- **Future Work**

Data Source

- **Disability Evaluation Unit**
 - **All ratings through 3/31/06**
 - **Extracted by DEU**
 - **Analyzed at UC Berkeley**

Analysis Issues

Creating Comparison – Matching to ratings under the Pre-2005 Schedule

- **Time from DOI to Date of Rating**
- **Impairment type**
- **Multiple disabilities**
- **Rating Type**

Analysis Issues

Rating Type

- **Summary and Consult ratings are estimated separated**
 - **Summary ratings are best measure**
 - **If Consults agree, even better**

Analysis Issues

“0” Rated Claims

- **Difficult to compare in DEU Data**
- **Comparison here is for claims with positive ratings under appropriate schedule**
 - **Comparison and 2005 Schedule Ratings are limited to >0%**
- **We'll discuss this again later**

Number of Ratings Under AMA

**10,466 Medical-Legal Evaluations by the
DEU using AMA based Schedule**

- **4,974 Summary ratings**
- **5,492 Consult ratings**

Results

Average Ratings

	2005 PDRS	Pre-2005 PDRS	Difference
Summary	11.38% (11.32)	19.88% (19.80)	-42.8% (42.8)
Consults	18.59% (17.82)	32.67% (31.90)	-43.1% (44.1)

Results

Average Indemnity Award

	2005 PDRS	Pre-2005 PDRS	Difference
Summary	\$ 9,824 (9,737)	\$22,046 (21,435)	-54.6% (54.6)
Consults	\$19,374 (18,150)	\$38,846 (36,419)	-50.1% (54.0)

Summary Ratings		Average Rating		
	N	2005 PDRS	Pre-2005 PDRS	Difference
Wrist/Hand	642	6.7%	12.5%	-45.8%
Arm/Elbow/ Shoulder	1,291	10.2%	16.8%	-39.4%
Lower Extremity	1,085	8.0%	17.8%	-55.5%
Spine	1,731	15.1%	26.2%	-42.4%
Psych	51	27.7%	25.2%	+10.1%
Other	150	17.5%	18.5%	-5.2%

Consult Ratings		Average Rating		
	N	2005 PDRS	Pre-2005 PDRS	Difference
Wrist/Hand	398	10.0%	22.7%	-56.0%
Arm/Elbow/ Shoulder	1,313	15.6%	28.8%	-45.7%
Lower Extremity	726	11.9%	29.6%	-59.8%
Spine	2,557	20.8%	36.7%	-43.3%
Psych	190	33.1%	37.6%	-12.1%
Other	263	33.3%	34.3%	-3.0%

Apportionment to Causation (Summary Ratings)

		%
Number of Ratings	4,962	
Number with Apportionment	547	11.0%
Average Apportioned to non-industrial	41.7%	
Average % change overall rating	- 5.2%	
Average % change overall Indemnity	- 5.1%	

On-going Research

- **On-going Research Project by CHSWC**
 - **Monthly Data Updates from DEU**
 - **On-going analyses of data**
 - **Target is precise estimates for each of the 22 categories in the RAND report**
- **Number of ratings rising more slowly than expected**
- **Might be underestimate of impact of “0s”**
 - **Focus of next report**